Report from the Board Chair and CEO of Pembroke Regional Hospital to the Catholic Health Sponsors of Ontario / Meeting of the Members of PRH
June 27, 2016
Report for Fiscal Year 2015 – 2016

We are pleased to submit this report from the Pembroke Regional Hospital to the Members of our Corporation and Sponsor, the Catholic Health Sponsors of Ontario, for the fiscal year ending March 31, 2016. As requested, outlined below are responses to the five seminal questions posed under the strategic themes of Governance and Board Development; Sponsorship, Mission and Quality; and Financial Stewardship.

Governance and Board Development

Process Used for Board Chair and CEO Succession Planning

On an annual basis our Board Governance Committee reviews, evaluates and recommends individuals to serve as the Chair and the Vice-Chairs of the Board. The Committee also annually recommends the appointment of the Chairs and Vice-Chairs of all standing committees. The Vice Chair positions have proven to be an effective mechanism for the development of knowledgeable and committed future Chairs at both the Board and committee levels.

The Governance Committee's annual work plan includes structured conversations with Board members each year about their willingness and ability to serve in an executive position or as a Chair or Vice Chair of a committee.

It is also our Governance Committee's responsibility, as part of its annual work plan, to ensure ongoing senior leadership capacity for the organization and to ensure that appropriate succession discussions take place annually for key senior leadership roles. A related part of this process also includes annual performance review activities to assess the work of the Chief Executive Officer and the Chief of Staff and annual Board surveys to assess Board performance.

The Board Chair and the Chair of the Governance Committee have an annual conversation with the CEO dealing with succession planning.

For the CEO position, there is a Board policy on CEO succession in place that deals with both an emergency situation and a planned vacancy. In the case of emergency or immediate need where an interim CEO would be required, a member of the Senior Leadership Team who has been assessed by the CEO as being capable to fill that role is identified to the Board Chair and Chair of the Governance Committee at the beginning of each year. In the event of a planned vacancy, a CEO Search Committee with detailed roles and responsibilities is to be struck by the Board, who may engage a search firm to assist with the process. In the event that a new CEO has not been appointed prior to the departure of the current CEO, the Board would appoint an interim CEO.

This past year was also the first time in recent memory where the Board had cause to strike a Chief of Staff Selection Committee, consistent with our by-laws, which was tasked with the responsibility of initiating and completing the selection process for the Chief of Staff and making a recommendation to the Board. The by-laws ensure that the committee has clear roles and responsibilities and an inclusive membership structure.

How our Board and Senior Leaders Use the Health Ethics Guide in Decision Making

The Health Ethics Guide is a key document used by the PRH Board and senior team in decision making. It is provided to all new Board members during new member orientation and reviewed and discussed at that time. It is also provided to all members of our Board Ethics Committee and members are encouraged to bring their copy to each meeting.

The Health Ethics Guide has been helpful in our discussions and deliberations this past year on the emerging issue of "Medical Assistance in Dying". Our Ethics Committee has had two meetings this year dedicated to this issue. The meetings were informed by the Health Ethics Guide and facilitated by our ethicist, Dr. Hazel Markwell, who we retain from the Joint Centre for Ethics under contract. The meetings drew largely on the sections of the Guide dealing with Chapter One: The Social Nature of Care; Chapter Two: Dignity of the Human Person; and Chapter Four: Care at the End of Life. We will continue to look to the Guide as this issue continues to unfold.

Another example of how we have used the Guide in our decision making has involved our decision to outsource our CSR service as opposed to upgrading our existing facilities in order to improve our surgical program and expand our capacity. Interestingly, as part of the Mission Leadership training offered by the CHAO in which our Board availed itself of, one of the modules included a case study involving outsourcing. As part of the discussions on that particular case study, we reviewed the key concepts from Chapter Seven of the Health Ethics Guide on Governance and Administration and applied this knowledge when faced with our own eventual decision on CSR outsourcing.

Sponsorship, Mission and Quality

How We Partner With Others to Care for the Vulnerable Outside of Our Walls

The care provided at the Pembroke Regional Hospital is understood by our leaders to be a continuation of the healing ministry of Jesus Christ. Our leaders promote a culture that supports Catholic ethics, values and beliefs as we strive to provide wholistic care for our patients…body, mind and spirit.

Our leaders bring this same grounding to the discussions we have with other partners in our region as we work together to provide care and comfort to the most vulnerable in our area. Examples of this include our leadership role in our local Health Links initiative, new programs and services through our Community Mental Health Program, and our work with a local agency, Carefor, on developing Homes for Special Care and other housing alternatives for the hard-to-place at the former motherhouse of our founding congregation, the Grey Sisters of the Immaculate Conception.

Health Links

A relatively new health care initiative is gaining momentum in our area as service providers' work together to coordinate care for patients with complex needs.

Funded by the Champlain LHIN (Local Health Integration Network) and the Ministry of Health and Long-Term Care, Health Links are an innovative service delivery model focused on the five per

cent of patients with the highest needs, often with multiple, complex conditions, and who account for two-thirds of Ontario's health care dollars.

Through better collaboration with providers of care, patients gain seamless access to the services they need through individual care plans and coordinated support from a tightly knit team that could include doctors, nurses, specialists, hospitals, home care, long-term care and community agencies. The goals of Health Links are to improve the health care experience for those with complex needs, reduce unnecessary visits to hospital emergency departments, reduce hospital admissions and decrease overall health care costs.

The Pembroke Regional Hospital is the lead agency for the North Renfrew County Health Link through which a total of 31 patients have been enrolled in year one. Of those, 75% have more than four medical conditions plus other concerns (socio-economic actors, caregiver strain, social isolation and safety).

This past January, our Board Chair, Kelly Hollihan facilitated the first pan-Renfrew County Health Links event which saw 60 participants from nearly 30 organizations meet for the first joint Board-to-Board governance engagement session designed to strengthen partnerships among providers in order to better serve these most complex and vulnerable people.

PRH's Community Mental Health Program

This past year, our Community Mental Health Program, which is a community-based program of the Hospital which spans all of Renfrew County, partnered to develop two new and innovative programs for at-risk populations: "*Buried in Treasures – Supporting Those Who Hoard*" and "*Suicide Prevention, Intervention and Postvention – Helping Our Students".*

Officially recognized as a mental illness, hoarding, or the persistent difficulty in discarding or parting with a large quantity of possessions can strain relationships and lead to social and emotional isolation. Hoarding also poses health and safety risks from unsanitary conditions, the risk of falls or entrapment to the home occupants or those who need to enter the home and financially as income is often spent or sacrificed on unnecessary acquisitions or storage unit rentals. In Renfrew County, it is conservatively estimated that there could be between 162 and 405 individuals and/or families affected by hoarding.

As a result, there has been a recognized need for a coordinated multi-agency response to hoarding that includes mental health services, the fire department, the police, public health, OSPCA, pest control, municipal by-law enforcement officers and others.

As a result, a Community Hoarding Action Team (CHAT) was formed and initial work included a one-day training session coordinated by our Community Mental Health Program in order to share best practice interventions and promote local supports. More recently, our Mental Health Services program has broadened its offering to include a new intervention group to provide specific support for those afflicted with this mental illness. As part of this, a new 20-week therapeutic group program, *Buried in Treasures*, has been launched to target those who struggle with hoarding.

Buried in Treasures has been designed by some of the world leaders in hoarding therapy and reflects a best practice group-based treatment approach. Participants learn why they struggle, the

things that hinder their recovery, how to reduce clutter, how to effectively sort and discard items, how to challenge the thoughts in their brains and how to maintain success.

Suicide Prevention, Intervention and Postvention – Helping Our Students is a collaboration with the local school boards and seven community care agencies, including our own Community Mental Health Program, through which a new Memorandum of Agreement on Suicide Prevention Protocol was recently developed and ratified.

This document outlines how each organization has a role to play in suicide prevention, intervention, and postvention among our youth and sets out a clear pathway to support staff and students as they develop the knowledge and skills to respond to the mental health needs of students within the our area.

With this protocol now in place, our community is able to leverage county-wide expertise in addressing the mental health needs and challenges faced by some of our students at risk.

Homes for Special Care and Other Community-Based Programs

In partnership with Carefor, a local community-based service organization, and with approval from the Ministry of Health and Long-Term Care, we are currently in the process of developing a new housing care model for some of the more vulnerable residents in our community.

The care model to be piloted will be part of the Ministry's plan to modernize its Homes for Special Care program which provides housing, meals and some support services to persons with serious mental health issues.

With recognized deficiencies in the way the program is currently carried out, including the fact that the program does not support client independence, lacks privacy, and allows the individuals little opportunity to connect with the community and community-based services, the modernization is about better meeting the needs of HSC clients and creating a more client-centred approach.

In addition to structuring the program through the use of best practices, the modernization will also align with government priorities in the areas of mental health and addictions, poverty reduction, and long-term affordable housing.

Anticipated outcomes include: Client satisfaction with housing and support services; improved access to recovery and support programs to assist clients in living as independently as possible; greater client involvement in community life; improved integration/coordination with the supportive housing/community mental health system; and stable housing for all clients.

Initially 10 clients will be housed at the Carefor Mackay Centre, which is the former motherhouse of the Grey Sisters of the Immaculate Conception, our founding congregation, with extensive support provided through our Community Mental Health Program and other in-house supports.

Financial Stewardship

In terms of financial challenges, the Hospital is currently entering its fifth fiscal year without any inflationary funding from the Ministry of Health and Long-Term Care. At the same time, our

collective agreements for unionized staff continue to have an inflationary element built into them which puts our inflationary wage pressures at approximately $1.2 to $1.5 million dollars per year.

Over the course of the past five years or so, the Ministry of Health has altered its funding methodology to shift away from a purely global budget to a "patient-centered funding model". In this model there are three components, Quality Based Procedure (QBP) funding, Hospital Based Allocation Methodology (HBAM), and a residual funding envelope called Global funding.

The QBP process is a relatively straight forward model of price times volume. The complexity in this element is the limitations of volumes by the LHIN/Ministry. The model works reasonably well for elective or planed activity but does not work well for non-elective (non-scheduled) activity. PRH has been able to maximize funding on elective QBP's but has had shortfall in funding of approximately $1.5M due to non-elective QBP volume being capped – we continue to challenge this shortfall.

HBAM is a population based allocation model to reallocate a funding pool that has only increased once (i.e. this year) during the past five. The formula is designed to redistribute funding to areas of highest need with consideration given to hospitals that operate efficiently. The model typically favours high growth areas of the province.

The Global portion of our funding is essentially for all programs and services that are not covered within the QBP or HBAM models.

During 2015-16 PRH was negatively impacted by $700K in the HBAM portion of the formula which resulted in the discovery of a misallocation of statistical data related to the introduction of a regional laboratory program in our LHIN. PRH identified this problem to the Ministry and expected the problem to be rectified in the 2016-17 funding allocations. When the allocations were announced recently, PRH received a funding reduction of over $600K when it had projected an increase of $700K – a $1.3 million shortfall, directly attributable to the data misallocation. Efforts are underway to challenge our allocation with discussions directly with the Ministry who has agreed to bring forward the concerns for consideration. Work continues on this front.

At this time, the Pembroke Regional Hospital has no anticipated capital purchases which would require CHCO approval.

Discuss expected building infrastructure replacement needs in the immediate to long term, and degree of confidence that your organization will have the financial resources to meet local share requirements.

We continue to make investments in order to maintain and keep our facilities current. The original hospital building was constructed in 1954 (along with a second tower that was constructed for a nursing program in 1961 – vacated in the 1970's when the program was relocated to a local college) with a new addition in 2005 that is integrated with the original building structures. The Ministry of Health provides a Health Infrastructure Renewal Fund (HIRF) grant annually to provide funding for ongoing upgrades. This funding will exceed $800K in 2017-18. Other major improvements or additions are funded from grants attached to a specific capital project. The current funding formula is 90% grant and 10% own funds and the hospital is responsible for 100% of any equipment required in a new addition. PRH raises money to support equipment and capital

project investments through its Foundation. The Foundation has permanent staff and is actively raising funds in the community to support priority needs as identified by the Hospital.

Comment on the knowledge your organization has about the assets (land, buildings) it is using that are considered stable patrimony (church property). Founding Congregations have asked CHSO to play a role to ensure protection of stable patrimony and a baseline understanding needs to be developed.

We understand the concept of stable patrimony. The Grey Sisters of the Immaculate Conception (GSIC), our founding congregation, owns the land that the Hospital sits on as well as the original buildings. The GSIC and the Hospital have a lease agreement in place that allows the Hospital to use the property for its intended purpose while keeping the lands (i.e. stable patrimony) in the hands of the GSIC for the perpetuation of the work of the Catholic Church. The parties are in the process of renewing the lease for a further 20 year period. We anticipate no material changes to the current arrangement for the foreseeable future.